

House Bill 948 (AS PASSED HOUSE AND SENATE)

By: Representatives Smith of the 70th, Jones of the 46th, Houston of the 170th, Tumlin of the 38th, Ramsey of the 72nd, and others

A BILL TO BE ENTITLED

AN ACT

To amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state sales and use tax, so as to change certain provisions regarding state sales and use tax; to provide for an exemption with respect to the sale of certain school supplies, clothing, footwear, computers, and computer related accessories for a limited period of time; to provide for an exemption from sales and use tax with respect to certain sales of certain energy efficient products for a limited period of time; to change provisions relating to deductions of bad debts by persons reporting on an accrual basis; to provide for claims to be filed by certain affiliated groups; to provide for related matters; to provide for effective dates; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state sales and use tax, is amended in Code Section 48-8-3, relating to exemptions from state sales and use tax, by revising subparagraph (A) of paragraph (75) as follows:

"(75)(A) The sale of any covered item. The exemption provided by this paragraph shall apply only to sales occurring during a period commencing at 12:01 A.M. on ~~August 2, 2007~~ July 31, 2008, and concluding at 12:00 Midnight on ~~August 5, 2007~~ August 3, 2008."

SECTION 2.

Said article is further amended in Code Section 48-8-3, relating to exemptions from state sales and use tax, by revising subparagraph (A) of paragraph (82) as follows:

"(82)(A) Purchase of energy efficient products with a sales price of \$1,500.00 or less per product purchased for noncommercial home or personal use. The exemption provided by this paragraph shall apply only to sales occurring during a period commencing at 12:01 A.M. on ~~October 4, 2007~~ October 2, 2008, and concluding at 12:00 Midnight on ~~October 7, 2007~~ October 5, 2008."

SECTION 3.

Said article is further amended in Code Section 48-8-45, relating to sales and use tax reporting of sales and deductibility of bad debts, by revising subsection (c) into two subsections as follows:

"(c) Any person reporting on the accrual basis of accounting shall be allowed a deduction for bad debts under rules and regulations of the commissioner on the same basis that bad debts are allowed as a deduction on state income tax returns.

~~(d) In the case of an~~ An assignee of private label credit card debt purchased directly from a dealer without recourse, ~~the assignee reporting on the accrual basis of accounting~~ or a credit card bank which extends such credit to customers under a private label credit card program shall be allowed a deduction for ~~bad~~ private label credit card bad debts under rules and regulations of the commissioner on the same basis that ~~bad~~ private label credit card bad debts are allowed as a deduction on state income tax returns. An issuer or assignee of private label credit card debt may claim its deduction for private label credit card bad debts on a return filed by a member of an affiliated group as defined under 26 U.S.C. Section 1504."

SECTION 4.

(a) Except as otherwise provided in subsection (b) of this section, this Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

(b) Section 3 of this Act shall become effective July 1, 2008.

SECTION 5.

All laws and parts of laws in conflict with this Act are repealed.